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X55-805

M14399

4 May 1955

Chief, Procurement Division, GL

Chief, Engineering Division, OC

Contract (RD) XG-578 - Task 7.

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1. The subject contract, awarded to the

is for the development of the Electro-Mechanical Transmitter ET-2. Work under Task 7 required the redesign of an engineering model of the equipment completed under Task 1, and the construction of 3 prototype units.

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2. In accordance with the terms of the contract all work is to be completed, and the deliverable items received by 31 May 1955. At the present time the contractor has completed the redesign of the engineering model and is engaged in preliminary plans for the construction of the prototype units (drawings and component procurement). It is nonetheless apparent that the contractor cannot meet the required delivery date due to (1) the extensive redesign sought by the Government and (2) a reported tardy delivery of parts and components being supplied by the electronic industry.

3. In consideration of the above it is recommended that the contractor be granted an extension of 3 months to complete the execution of Task 7, Contract (RD) XG-578. The allocation of additional funds for this extension is not required.

25X1

R&D-EP/CEM/mvm

4 May 1955

cc: R&D Subject File

Reading

Chrono

Dev-ep

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